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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH5075 – Export prices declined around 1 percent with results of the tender for 1.1 million metric tons of government stocks still pending.

Post:
Bangkok

Author Defined:
Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending June 15, 2015

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV
FWR 100 B	845	-	-	825	880	850	-	850	853
WR 100 B	370	-	385	377	390	373	380	379	380
PB 100%	365	-	380	365	380	365	375	372	374
PB 5%	360	-	375	360	375	360	370	367	369
WR 5%	360	-	370	362	380	363	370	368	369
WR 10%	-	-	-	-	-	358	-	358	363
WR 15%	-	-	-	-	-	356	-	356	360
WR 25%	-	-	-	-	-	343	-	343	345
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	320	-	-	330	320	320	-	323	323
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.5 baht/U.S.\$

Source: Average actual prices received from exporters

Export prices declined around 1 percent from the previous week. Regarding the public tender for 1.1 million metric tons of government stocks held on June 15, reportedly only 40 bidders participated. A quarter of 40 bidders were reportedly millers which were heavily engaged in the previous government's rice pledging scheme. Industry sources have several theories about the new interest of these millers in buying the low quality rice available at this tender. The top five exporters again participated, likely indicating that there is still import demand for lower quality rice in Africa.

The tender mainly consisted of 0.6 million metric tons of 5% grade white rice and 0.3 million metric tons of broken white rice (A1 Super grade) (Table 2). Reportedly, the bids were only slightly above the government-set floor prices (which were set at 8,500 to 10,000 baht per metric tons (\$252-297/MT)) but still lower than market prices (11,200 baht per metric tons (\$334/MT)). These low offers reflected ongoing concerns about the substandard quality of government stocks. The result of the tender will be announced later on June 16, 2015.

Exporters reportedly are discounting recently reported government concern about water available in reservoirs in the main-crop rice growing areas in the central plains. In the past few weeks, the government warned farmers in these areas (Chaopraya river basin) to delay planting their main crop until the end of July to avoid possible water shortages which were caused by lower-than-expected rainfall during May and June. However, the government still supplies water for farmers who have already planted main-crop rice or around half of total main-crop rice areas in the central plains (1.6 million hectares).

Table 2: Rice Available under Public Tender of Government Rice Stocks on June 15, 2015

Unit: Thousand Metric Ton

Quality	Tender				
	MY2008/09	MY2011/12	MY2012/13	MY2013/14	Total
Frangrant Rice (100 B grade)	-	-	-	-	-
Provincial Frangrant Rice	-	-	-	-	-
Prathumthani Frangrant Rice	-	-	3.0	-	3.0
Glutinous Rice (10% grade)	-	12.1	19.6	49.2	81.0
Broken Frangrant Rice	-	5.6	8.4	-	14.0
Broken Provincial Frangrant Rice	-	-	-	-	-
Broken Prathumthani Frangrant Rice	-	2.1	-	-	2.1
Broken White Rice (A1 Super grade)	-	162.0	174.2	-	336.2
Broken Glutinous Rice (GL A1)	-	4.8	4.3	-	9.1
White Rice (5% grade)	0.4	14.9	331.5	223.1	569.8
White Rice (10% grade)	-	9.2	29.6	3.4	42.2
White Rice (15% grade)	-	2.7	0.0	-	2.7
White Rice (25% grade)	-	5.4	-	-	5.4
Total	0	219.0	570.4	275.7	1,065.5

Source: Department of Foreign Trade and Department of Internal Trade, Ministry of Commerce

Rice Export Update

Unofficial preliminary rice exports (excluding premium white and fragrant rice) for June 8-14 2015 totaled 127,991 metric tons, up 68,314 metric tons from the previous week and up 43,295 metric tons from the four-week moving average of 84,696 metric tons (Table 3). Rice exports (excluding premium white and fragrant rice) from January 1 – June 14, 2015, totaled 1,722,607 metric tons, down 15 percent from the same period last year.

Total rice exports from January to April 2015 totaled 2,826,561 million metric tons, down 4 percent from the same period last year (See GAIN Report – TH5069 Grain and Feed Update, May 2015).

Table 3: Weekly rice exports (excluding fragrant rice)

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Apr 12	58,286	82,910	1,064	1,024	3.9
Apr 19	13,968	69,976	1,077	1,055	2.2
Apr 26	77,242	69,487	1,155	1,181	-2.3
May 3	103,706	63,300	1,285	1,289	-0.3
May 10	59,917	63,708	1,318	1,395	-5.5
May 17	65,468	76,583	1,384	1,480	-6.5
May 24	88,775	79,466	1,473	1,622	-9.2
May 31	62,340	69,125	1,535	1,775	-13.5
Jun 7	59,677	69,065	1,595	1,914	-16.7
Jun 14	127,991	84,696	1,723	2,031	-15.2

Note on data: Export figures since March 22, 2002, do not include fragrant rice. In addition, starting May 1, 2013, the data will not include 100% - 25% grade white rice exports. The reporting authority was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice and white rice (100%-25% grades) export data. FAS/BKK will report only official export numbers available from the Board of Trade of Thailand. The reader should bear in mind the difference between the data.

Source: Board of Trade of Thailand

End of report